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**FISCAL IMPACT STATEMENT**

**LS 6260**

**BILL NUMBER:** HB 1040

**NOTE PREPARED:** Feb 23, 2012

**BILL AMENDED:** Feb 23, 2012

**SUBJECT:** Immunity for Fast Responders.

**FIRST AUTHOR:** Rep. Grubb

**FIRST SPONSOR:** Sen. Miller

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

*Immunity for Fast Responders:* The bill provides that if: (1) a county adopts an ordinance approving the provision of community fast responder services; and (2) the nonprofit corporation directing the provision of community fast responder services maintains a certain level of insurance; the liability of a community fast responder is limited to the amount of insurance.

The bill provides that a community fast responder nonprofit corporation does not include a hospital or an entity operated or directed by a hospital. It provides that fast responders have the same immunity from liability as first responders. It requires a community fast responder nonprofit corporation to purchase an insurance policy that provides \$700,000 of insurance coverage for the liability of the corporation's community fast responders. It provides that the limit of liability of a community fast responder nonprofit corporation is \$5,000,000. The bill also makes conforming amendments.

*Limited Liability for Schools:* This bill limits the liability of a school that provides physical fitness activities to the general public.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Limited Liability for Schools:* Under this bill, school corporations would not be held liable in certain situations involving the use of their physical fitness equipment by the public. There are two situations where a corporation would still be liable:

1. If it intentionally ignored a potential hazard with the equipment or failed to ensure that its personnel were properly trained in its use.

2. If it entered into a contract with a private entity for use of the equipment and failed to post the appropriate warning sign as stipulated by this bill.

There are currently no data available to indicate if this bill would influence the number of civil suits brought by individuals seeking compensation from school corporations for damages caused by the individual's use of the school's exercise equipment. The fiscal impact would depend on whether the school would have to incur costs such as attorney's fees in defending itself in civil suits, and pay damages if this provision were not implemented. This provision may also result in lower liability insurance cost for some school corporations; the amount of the decrease, if any, is indeterminable at this time.

**Explanation of Local Revenues:** (Revised) *Limited Liability for Schools:* Under this bill, the number of schools willing to permit the public to use their recreational facilities for a fee may increase. The amount of revenue to be earned from this initiative is indeterminable at this time.

**State Agencies Affected:**

**Local Agencies Affected:** School corporations.

**Information Sources:**

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